



## ITALY BEST PROSPECT INDUSTRY SECTOR PROFILE

Sector Name: **AIRPORT AND GROUND SUPPORT EQUIPMENT**

ITA Industry Code: APG

With 40 primary and 48 secondary airfields, Italy remains one of the most important European markets for airport and ground support equipment. In the wake of the events of September 11 and other international developments, expenditures on capital equipment are resuming, by both the central and regional governments, in order to achieve two main objectives: first, to enable the primary airports to compete in an ever more competitive European market, and second, to ensure a higher level of security as prescribed by ENAV, the Italian air traffic control agency. The market is therefore expected to expand with increased near/medium term investments, both private and public, for airport expansion, upgrading of existing structures, and purchase of ground support equipment and systems. Following the September 11 events, all international and national airports have seen an increase in expenditures for security and safety structures and systems and more financing is expected for this purpose in the short term.

Fourteen primary Italian airports have been designated for upgrading air transportation management and passenger/cargo terminal facilities, with most activity concentrated in the seven largest Italian airports. In 2002 passenger traffic in these airports exceeded 65 million (the national figure is about 75 million), split as follows: Rome (Fiumicino and Ciampino): 26,000,000; Milan (Linate and Malpensa): 25,000,000; Naples: 4,500,000; Venice: 4,200,000; Catania: 4,000,000; Turin: 2,500,000; Bari: 1,200,000.

U.S. technology and design is highly regarded by Italian airport and ground support equipment operators. U.S. manufacturers currently hold 25 percent of the Italian market and should maintain, and even surpass, this position in the next year.

Data Table:

(USD Million)	2001 (actual)	2002 (actual)	2003 (estimated)
Total Market Size	2,350	2,390	2,450
Total Local Production	1,720	1,780	1,840
Total Exports	720	790	870
Total Imports	1,310	1,400	1,480
Imports from the US	620	630	640
Exchange rate \$1=euro	1.117	1.057	0.877

**The above statistics are unofficial estimates.**